

Message Text

UNCLASSIFIED

PAGE 01 PARIS 06870 191847Z

70

ACTION EUR-25

INFO OCT-01 ARA-16 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 DODE-00 PA-04

USIA-15 PRS-01 FPC-01 FEA-02 DRC-01 /142 W

----- 013851

R 191757Z MAR 74

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 7654

INFO AMEMBASSY LONDON

AMEMBASSY BONN

AMEMBASSY ROME

AMCONSUL NICE

AMCONSUL BORDEAUX

AMCONSUL LYON

AMCONSUL MARSEILLE

AMCONSUL STRASBOURG

AMCONSUL MARTINIQUE

UNCLAS PARIS 6870

E.O. 11652: N/A

TAGS: PLAB

SUBJECT: GAS AND ELECTRICITY STRIKE

1. SUMMARY. GAS AND ELECTRICITY STRIKE SCHEDULED BEGIN MARCH 21 WAS ADVANCED TO MARCH 19 AT CFDT INITIATIVE. STRIKE RESULTS FROM WORKER DISCONTENT AT COST OF LIVING ADJUSTMENTS WHICH NO LONGER KEEP PACE WITH RISING COSTS. OUTCOME OF THIS ACTION WILL AFFECT NEGOTIATIONS ELSEWHERE IN PUBLIC AND NATIONALIZED SECTORS, WITH POSSIBLE EFFECT ON GOF'S EFFORT TO CONTAIN RISING LABOR COSTS AS ELEMENT IN INFLATION. END SUMMARY.

2. TWENTY-FOUR HOUR GAS (EGF) AND ELECTRICITY (EDF)

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PARIS 06870 191847Z

STRIKE CALLED BY CGT, CFDT AND CFTC FOR MARCH 21 WAS

ADVANCED TO MARCH 19 IN UNILATERAL ACTION BY CFDT IN SUPPORT OF RECLASSIFICATION AND WAGE DEMANDS OF SOME 10,000 (OUT OF TOTAL 130,000) WORKERS IN STEAM GENERATING PLANTS. INDUSTRIAL AND POSSIBLY DOMESTIC CURRENT CUTS ARE THUS EXPECTED TO BEGIN MARCH 19. IN CFDT VIEW, CUTS SHOULD EXTEND BEYOND MARCH 21. CFDT WILL MEET OTHER UNIONS MARCH 20 (DAY AFTER SCHEDULED UNION-MANAGEMENT NEGOTIATIONS) TO COORDINATE THIS FURTHER ACTION.

3. FORCE OUVRIERE DECLINED TO JOIN STRIKE CALL FOR MARCH 21, PENDING OUTCOME OF MARCH 19 NEGOTIATIONS WITH MANAGEMENT. PRIME MINISTER, MENAWHILE, CHARACTERIZED MARCH 21 ACTION AS "POLITICAL STRIKE".

4. EGF-EDF TWO YEAR CONTRACT RUNNING THROUGH END 1974 ASSURES MINIMUM 2 PERCENT PROGRESSION IN PURCHASING POWER. CGT, CFDT, CFTC DEMANDS CONCERN TIMING OF PERIODIC ADJUSTMENTS PROVIDED BY CONTRACT. UNIONS ARGUE THAT CURRENT ACCELERATED RATE OF PRICE INCREASES REQUIRES MORE TIMELY COST OF LIVING ADJUSTMENT.

5. COMMENT. FROM GOF'S POINT OF VIEW, ONE OF MAIN ADVANTAGES OF CONTRACTUAL POLICY IN PUBLIC AND NATIONALIZED SECTORS WAS TIME LAG BETWEEN RISING COSTS AND PERIODIC WAGE ADJUSTMENTS, WITH THE GUARANTEED PROGRESSION IN PURCHASING POWER DEFERRED TO THE END OF THE YEAR. SYSTEM WORKED UNTIL NOW BECAUSE INFLATION RATE WAS CONTROLLED AT BELOW 9 PERCENT PER ANNUM. THE ACCELERATION OF THIS RATE IN LAST FEW MONTHS NOW MAKES ADJUSTMENT LAG UNACCEPTABLE TO UNIONS.

6. THOUGH THIS SITUATION PERTAINS TO PUBLIC AND NATIONALIZED SECTORS GENERALLY, EDF/EGF WAS SELECTED AS TESTING GROUND SINCE IT AFFORDS UNIONS OPPORTUNITY TO BRING PRESSURE ON GOVERNMENT BY PRODUCTION, CREATING, IF NECESSARY, GROUPS OF TEMPORARILY UNEMPLOYED WORKERS WHO CAN BE MARSHALLED TO BRING FURTHER PRESSURE ON GOVERNMENT. INTERESTING TO NOTE HOWEVER THAT THE BLUE-COLLAR ELITE OF EGF/EDF WAS SELECTED BY THE UNIONS

UNCLASSIFIED

PAGE 03 PARIS 06870 191847Z

FOR THIS FIRST STRIKE ACTION IN NATIONALIZED SECTOR. OFTEN RELATIVELY WELL-TO-DO WORKERS RESPOND WITH GREATER MILITANCY TO ACCELERATING INFLATION THAN THEIR LESS WELL PAID BROTHERS.

7. THE CFDT'S INITIATIVE IN ADVANCING THE ACTION TO MARCH 19 IS OF CONSIDERABLE TOPICAL INTEREST, THE CFDT AND THE CGT BEING CURRENTLY LOCKED IN ONE OF

THEIR PERIODIC PUBLIC SQUABLES -- THIS TIME NOT OVER
DOCTRINE BUT OVER THE PROPER METHOD OF CONDUCTING A
STRIKE. SHOULD THE MARCH 19 NEGOTIATIONS SUCCEED,
THE CFDT WILL BE IN A POSITION TO CLAIM CREDIT FOR
HAVING BROUGHT TIMELY PRESSURE TO BEAR OR, SHOULD
THEY FAIL TO MEET WORKER DEMANDS, IT WILL BE IN AN
ADVANTAGEOUS POSITION TO LEAD WHATEVER TRADE UNION
ACTION MAY FOLLOW.
STONE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COST OF LIVING, NEGOTIATIONS, LABOR UNIONS, LABOR STRIKES
Control Number: n/a
Copy: SINGLE
Draft Date: 19 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974PARIS06870
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740057-1087
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740332/aaaabecx.tel
Line Count: 124
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: WorrelSW
Review Comment: n/a
Review Content Flags:
Review Date: 12 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 JUL 2002 by elbezefj>; APPROVED <09 DEC 2002 by WorrelSW>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GAS AND ELECTRICITY STRIKE
TAGS: ELAB
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005